

CHP for Resiliency Accelerator Partner Profile

1. Resilience Planning

Spire is a natural gas energy and utility company serving 1.7 million customers, making it the fifth largest publicly traded natural gas company in the country. Spire helps families and business owners meet their energy requirements through gas utilities serving Alabama, Mississippi and Missouri. Spire is committed to transforming their business and pursuing growth through 1) growing organically, 2) investing in infrastructure, 3) acquiring and integrating, and 4) innovation and technology.

Spire has been active in modernizing its natural gas distribution system assets by continuously improving the natural gas infrastructure. This expanded infrastructure also improves the reliability and resiliency for all Spire customers. Spire is also active in improving the resiliency of their own buildings, including their main office in downtown St. Louis.

2. Program or Project Implementation

Spire has pursued a combined technology approach to improving customer resilience, and in addition to its core business, it has explored CHP, solar, wind, and battery storage technology solutions. Given the recent interest for CHP in Missouri, both Spire and the Missouri Division of Energy (DE) pursued a pilot program focused on CHP.

The Missouri Division of Energy (DE) originally proposed a pilot program with tariff accommodations, whereby Spire Missouri would work with the DE to encourage the adoption of CHP technologies. According to the guidelines for the proposed program, the utility company would investigate and develop a proposed CHP pilot program to serve critical infrastructure, with a total program budget not to exceed \$5.1 million for 10 projects. Other features of this proposal included allowing the utility to track and seek recovery of the cost of participating in the pilot program, which would include offsetting up to \$10,000 of the cost of a project's feasibility study following the identification of a good candidate site for CHP deployment in partnership with the CHP TAP. Spire sought permission to extend the cost recovery period to up to 15 years for customer repayments on the customer portion of natural gas infrastructure. Furthermore, Spire also expressed an interest in being able to offer on-bill financing to assist potential CHP customers in funding the capital improvements for CHP installation. The potential benefits of the critical infrastructure and CHP projects would be assessed using the societal cost test.

Although the Commission did not approve the pilot program, the Missouri DE and Spire continue to collaborate on other initiatives. The two entities co-hosted the first of two <u>CHP summits</u> on April 10, 2018, the Eastern Missouri CHP Summit, in St. Charles focusing on energy resiliency for critical facilities. Attendees included persons affiliated with hospitals, universities and colleges, correctional facilities and nursing homes and assisted living facilities located in the eastern half of the state of Missouri. A survey of attendees was completed after the first meeting, and helped inform content for the second meeting on October 16, 2018 in Kansas City.

3. Lessons Learned

Spire has learned many important lessons through its collaboration with the Missouri DE on the CHP pilot program and the other initiatives. They were able to clearly identify funding needs, highlight complex cost analytics, and understand how to work with customers on developing CHP projects through the pilot program proposal. Working closely with the Missouri DE also helped solidify the importance of building meaningful relationships with key organizations and individuals, and maintaining regular communications in order to work towards project goals. Spire is also working with individual







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facilities on CHP projects and helping them to understand the potential, and with organizations investigating future key technologies that can continue to enhance resilience.

4. Additional Information

- ► Eastern Missouri CHP Summit
- ► Spire Presentation on CHP for Healthcare Facilities
- ▶ Report and Order on Laclede Gas Company's Request to Increase its Revenues for Gas Service